

CITRUS HEIGHTS WATER DISTRICT  
BOARD OF DIRECTORS REGULAR MEETING  
November 19, 2014

The Regular Meeting of the Board of Directors was called to order at 6:35 p.m. by President Dains and roll was called. Present were:

Allen B. Dains, President  
Caryl F. Sheehan, Director  
Robert A. Churchill, General Manager  
Darlene J. Gillum, Assistant General Manager  
John J. Townsel, Operations Manager  
Paul A. Dietrich, Project Manager  
Susan Sohal, Accounting Supervisor

Director Joseph M. Dion was absent.

VISITORS

The following visitors signed in for the meeting:

Norma J. Arino, Wade Mitchell, Joan Kuhtz, Tom Mason, Pam Pinkston, Doug Peck, Dianne Peck, Kathi Karish, Debi Casey, Judy Ammon, Jerry H. Lewis, Janell Alexander-Lewis, Carol Klunder, Dell Bottomley, Jack Sivak, Andrew Johnson, Ray Riehle, Janis Shoemaker, Julia Maldonado, and Dan Heideman.

PLEDGE OF ALLEGIANCE

Director Dains led the Pledge of Allegiance.

PUBLIC COMMENT

There was no public comment at this time.

CONSENT CALENDAR

President Dains asked for the Consent Calendar.

President Dains asked for the Consent Calendar. Director Dains inquired about the payable to the City of Citrus Heights in the amount of \$339,000. GM Churchill responded that the payment was made in relation to the Auburn Boulevard project.

**Motion:** It was moved by Director Dains and seconded by Director Sheehan to accept the Consent Calendar consisting of:

1. Minutes of the Regular Meeting – October 14, 2014.
2. Minutes of the Special Meeting – November 6, 2014.
3. Assessor/Collector's Report for October 2014.
4. Assessor/Collector's Roll Adjustments for October 2014.
5. Treasurer's Report for October 2014.
6. Payables for October 2014.
7. CAL–Card Purchases – October 2014

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8. Summary of 2014 Directors, Officers and Employees Training, Seminars and Conference Expenses.

The motion passed 2-0 with all Directors voting yes.

October 31, 2014 - Payables

| <u>Check</u> | <u>Vendor</u>                      | <u>Description</u>                | <u>Amount</u> |
|--------------|------------------------------------|-----------------------------------|---------------|
| 57806        | AAA Pipeline Inspection            | Contract Services-Engineering     | \$900.00      |
| 57807        | ABA DABA Rentals & Sales           | Supplies-Field                    | \$204.27      |
| 57808        | AFLAC                              | Employee Paid Ins                 | \$810.27      |
| 57809        | Alexander's Contract Services      | Contract Services-Meter Read      | \$4,478.90    |
| 57810        | Ali Mussab                         | Overpayments                      | \$54.62       |
| 57811        | Void                               | Void                              | \$0.00        |
| 57812        | Area West Engineers Inc            | Contract Services-Engineering     | \$999.75      |
| 57813        | Bart/Riebes Auto Parts             | Repair-Trucks                     | \$106.09      |
| 57814        | Reginald or Linda J Bodden         | Overpayments                      | \$6.78        |
| 57815        | BSK Associates                     | Water Analysis                    | \$1,280.00    |
| 57816        | Burketts                           | Office Expense                    | \$108.63      |
| 57817        | California Laboratory Services     | Water Analysis                    | \$435.60      |
| 57818        | Cannon Solutions America, Inc.     | Maint Agree-Equip                 | \$63.20       |
| 57819        | Sacramento County Utilities        | Utilities                         | \$76.13       |
| 57820        | DHS-OCP                            | Dues & Subscriptions              | \$105.00      |
| 57821        | James A or Elizabeth L Diaz        | Overpayments                      | \$101.57      |
| 57822        | Edgewater Apts                     | Overpayments-Hydrant Meter        | \$1,569.88    |
| 57823        | Ferguson Enterprises Inc.1423      | Material                          | \$150.11      |
| 57824        | First American Title Company       | Overpayments                      | \$20.81       |
| 57825        | FP Mailing Solutions               | Equip Rent-Office                 | \$165.24      |
| 57826        | Staci Garcia                       | Overpayments                      | \$119.89      |
| 57827        | Golden State Flow Measurement, Inc | Material                          | \$1,964.90    |
| 57828        | GreatAmerica Leasing Corp          | Equip Rent-Office                 | \$261.64      |
| 57829        | Greenstreet Investments LLC        | Overpayments                      | \$166.62      |
| 57830        | KASL Consulting Engineers          | Contract Services-Engineering     | \$350.00      |
| 57831        | Kei Window Cleaning #12            | Janitorial                        | \$73.00       |
| 57832        | James L Martin                     | Overpayments                      | \$52.46       |
| 57833        | Joshua McEuen                      | Overpayments                      | \$126.74      |
| 57834        | Moonlight BPO                      | Contract Services-Bill Print/Mail | \$2,950.19    |
| 57835        | Neighborly Pest Management         | Janitorial                        | \$92.00       |
| 57836        | North American Title Company       | Overpayments                      | \$92.94       |
| 57837        | North American Title Company       | Overpayments                      | \$17.30       |
| 57838        | Office Depot                       | Office Expense                    | \$211.20      |
| 57839        | Pirtek Power Inn                   | Repair-Trucks                     | \$248.02      |
| 57840        | Placer Title Company               | Overpayments                      | \$24.82       |
| 57841        | Psomas                             | Contract Services-Engineering     | \$450.00      |
| 57842        | The Reed Group Inc                 | Contract Services-Miscellaneous   | \$7,665.32    |
| 57843        | Regional Water Authority           | Dues & Subscriptions              | \$800.00      |
| 57844        | Unum Life Insurance Co of America  | Disability & Life In              | \$1,844.63    |
| 57845        | Verizon Wireless                   | Tele-Wireless                     | \$900.39      |
| 57846        | Wallace Kuhl & Associates Inc      | Contract Services-Miscellaneous   | \$760.00      |
| 57847        | Performance Piping                 | Contract Services-Miscellaneous   | \$1,750.21    |
| 57848        | AAA Pipeline Inspection            | Contract Services-Engineering     | \$900.00      |
| 57849        | Alexander's Contract Services      | Contract Services-Meter Read      | \$6,189.12    |
| 57850        | Area West Engineers Inc            | Contract Services-Engineering     | \$9,292.50    |
| 57851        | Azteca Systems Inc                 | Maint Agree-Software              | \$2,495.00    |
| 57852        | Bennett Engineering Services, Inc  | Contract Services-Engineering     | \$2,092.61    |
| 57853        | Blackbird Associates               | Contract Services-Engineering     | \$1,305.65    |
| 57854        | City of Citrus Heights             | Contract Services-Engineering     | \$339,422.60  |

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|-------|--|---------------------------------------|--------------|
| 57855 | College Oak Towing                     | Repair-Trucks                         | \$291.20     |
| 57856 | Employee Relations Inc                 | Contract Services-Other               | \$171.75     |
| 57857 | Equarius Water Works                   | Material                              | \$4,114.80   |
| 57858 | Ferguson Enterprises Inc.1423          | Material                              | \$3,277.42   |
| 57859 | Forsgren Associates, Inc.              | Contract Services-Miscellaneous       | \$14,016.50  |
| 57860 | FP Mailing Solutions                   | Equip Rent-Office                     | \$165.24     |
| 57861 | Future Ford Fleet Service Center       | Repair-Trucks                         | \$3,241.92   |
| 57862 | Golden State Flow Measurement, Inc     | Material                              | \$406.04     |
| 57863 | Grainger                               | Small Tools                           | \$135.15     |
| 57864 | Griffin Electric, Inc.                 | Contract Services-Wells Maintenance   | \$16,484.54  |
| 57865 | Moonlight BPO                          | Contract Services-Bill Print/Mail     | \$5,485.03   |
| 57866 | NV5 / Nolte Associates, Inc.           | Contract Services-Engineering         | \$26,536.75  |
| 57867 | Pace Supply Corp                       | Material                              | \$719.71     |
| 57868 | Performance Piping                     | Contract Services-Miscellaneous       | \$73,897.03  |
| 57869 | Perry Robert                           | Contract Services-Miscellaneous       | \$1,260.00   |
| 57870 | Preston Pipelines Inc                  | Contract Services-Miscellaneous       | \$119,783.13 |
| 57871 | Republic Services #922                 | Utilities                             | \$211.81     |
| 57872 | SMUD                                   | Utilities                             | \$12,618.10  |
| 57873 | SMUD                                   | Contract Services-Wells               | \$20,912.00  |
| 57874 | Sophos Solutions                       | Contract Services-Other               | \$6,510.00   |
| 57875 | SureWest Directories                   | Tele-Local/Long Dis                   | \$49.74      |
| 57876 | SWRCB                                  | Dues & Subscriptions                  | \$9,543.27   |
| 57877 | United Textile                         | Supplies-Field                        | \$254.99     |
| 57878 | US Bank I.M.P.A.C. Government Services | See Cal Card Report Agenda Item CC: 6 | \$3,923.12   |
| 57879 | ACWA/JPIA Health Benefits Authority    | Disability & Life In                  | \$4,263.12   |
| 57880 | ACWA/JPIA                              | Workers Comp Ins                      | \$14,432.00  |
| 57881 | BSK Associates                         | Water Analysis                        | \$308.00     |
| 57882 | Burketts                               | Office Expense                        | \$241.02     |
| 57883 | California State Disbursement Unit     | Garnishment                           | \$184.61     |
| 57884 | California State Disbursement Unit     | Garnishment                           | \$109.61     |
| 57885 | David S Chau                           | Overpayments                          | \$428.99     |
| 57886 | Robyn Cope                             | Health Insurance                      | \$389.00     |
| 57887 | Corelogic Information Solutions Inc    | Dues & Subscriptions                  | \$3.50       |
| 57888 | Coverall North America Inc             | Janitorial                            | \$280.00     |
| 57889 | Cybex                                  | Equip Rent-Office                     | \$118.48     |
| 57890 | Dawson Oil Company                     | Gas & Oil                             | \$1,779.36   |
| 57891 | Paul Feitser                           | Overpayments                          | \$57.02      |
| 57892 | Leitha Jones                           | Overpayments                          | \$87.14      |
| 57893 | Rebecca A Kanowsky Trust               | Overpayments                          | \$351.31     |
| 57894 | LAL Real Estate & Dev LLC              | Overpayments                          | \$186.87     |
| 57895 | Lawnman Commercial Landscape           | Janitorial                            | \$301.77     |
| 57896 | Douglas A MacTaggart                   | Contract Services-Paving/Concrete     | \$12,627.00  |
| 57897 | MNB Dev, Inc                           | Overpayments                          | \$60.77      |
| 57898 | Matthew or Jill Nichols                | Overpayments                          | \$117.77     |
| 57899 | Tiffany Pelkey                         | Overpayments                          | \$69.66      |
| 57900 | Lyndon or Kellie Perrine               | Overpayments                          | \$145.25     |
| 57901 | Yuriy Pikalov                          | Overpayments                          | \$62.09      |
| 57902 | Kenny Rielley                          | Overpayments                          | \$166.22     |
| 57903 | Sonitrol                               | Equip Rent-Office                     | \$517.78     |
| 57904 | Albert or Helen Stockdale              | Overpayments                          | \$200.00     |
| 57905 | Tracom                                 | Fixed Assets                          | \$28,172.38  |
| 57906 | Louie L Yaw                            | Overpayments                          | \$66.75      |
| 57907 | City of Citrus Heights                 | Permit Fees-Encroachment 2014-30      | \$1,500.00   |
| 57908 | Fred Clow                              | Toilet Rebate Program                 | \$150.00     |
| 57909 | Sergio or Eleanor Gomez                | Toilet Rebate Program                 | \$150.00     |

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|-------|--|-------------------------------------|-------------|
| 57910 | Henry or Darleen Hickman                 | Toilet Rebate Program               | \$75.00     |
| 57911 | Robert Schiffler                         | Toilet Rebate Program               | \$75.00     |
| 57912 | Robert Casebolt                          | Toilet Rebate Program               | \$75.00     |
| 57913 | AnswerNet                                | Tele-Answer Service                 | \$210.57    |
| 57914 | AREA Restroom Solutions                  | Equip Rental-Field                  | \$106.20    |
| 57915 | B&M Builders                             | Overpayments-Hydrant Meter          | \$1,476.74  |
| 57916 | Brent Baader                             | Overpayments                        | \$6.62      |
| 57917 | BSK Associates                           | Water Analysis                      | \$228.00    |
| 57918 | Canon Solutions America, Inc.            | Maint Agree-Equip                   | \$48.03     |
| 57919 | Jack C Chang                             | Overpayments                        | \$52.92     |
| 57920 | CirclePoint                              | Water Cons-Contract                 | \$1,295.00  |
| 57921 | Antonio G or Rosalina S Da Rosa          | Overpayments                        | \$23.32     |
| 57922 | Dawson Oil Company                       | Gas & Oil                           | \$1,922.52  |
| 57923 | Equarius Water Works                     | Material                            | \$4,114.80  |
| 57924 | Joshua or Jessica Pearson                | Overpayments                        | \$74.75     |
| 57925 | Jennifer M Permaul                       | Overpayments                        | \$32.47     |
| 57926 | Sacramento County Dept of Finance        | Utilities                           | \$17.88     |
| 57927 | Asmat S Siddiqui                         | Overpayments                        | \$61.42     |
| 57928 | State Water Resources Control Board      | Dues & Subscriptions                | \$140.00    |
| 57929 | A. Teichert & Son, Inc.                  | Road Base                           | \$1,506.02  |
| 57930 | Zee Medical Company                      | Supplies-Field                      | \$191.74    |
| 57931 | Unum Life Insurance Co of America        | Disability & Life In                | \$1,633.27  |
| 57932 | S.I.C.H.                                 | Office Miscellaneous                | \$40.00     |
| 57933 | Afman Supply                             | Small Tools                         | \$227.58    |
| 57934 | Airgas NCN                               | Supplies-Field                      | \$801.24    |
| 57935 | Alexander's Contract Services            | Contract Services-Meter Read        | \$2,389.87  |
| 57936 | Richard E Blodgett or Dorothy K Blodgett | Overpayments                        | \$100.19    |
| 57937 | Gary L Brown or Stacie L Brown           | Overpayments                        | \$17.81     |
| 57938 | BSK Associates                           | Water Analysis                      | \$950.00    |
| 57939 | Burketts                                 | Office Expense                      | \$384.48    |
| 57940 | California State Disbursement Unit       | Garnishment                         | \$184.61    |
| 57941 | California State Disbursement Unit       | Garnishment                         | \$109.61    |
| 57942 | Robert A Churchill                       | Continued Education                 | \$1,805.18  |
| 57943 | Connected Document Solutions             | Maint Agree-Equip                   | \$66.82     |
| 57944 | Consolidated                             | Tele-Local/Long Dis                 | \$885.77    |
| 57945 | Corix Water Products, Inc                | Material                            | \$66.96     |
| 57946 | Cybex                                    | Equip Rent-Office                   | \$118.44    |
| 57947 | Allen B Dains                            | Overpayments-Refund of Election Fee | \$450.00    |
| 57948 | Desert Investments LLC                   | Overpayments                        | \$27.93     |
| 57949 | Equarius Water Works                     | Material                            | \$4,114.80  |
| 57950 | Golden State Flow Measurement, Inc       | Material                            | \$76.68     |
| 57951 | Kaiser Foundation Health Plan, Inc       | Health Insurance                    | \$12,227.88 |
| 57952 | Rachel A Knee                            | Overpayments                        | \$165.85    |
| 57953 | Darcy A Morgan                           | Overpayments                        | \$147.80    |
| 57954 | Pace Supply Corp                         | Material                            | \$2,411.84  |
| 57955 | Pacific Gas & Electric                   | Utilities                           | \$18.13     |
| 57956 | Caryl Sheehan                            | Overpayments-Refund of Election Fee | \$450.00    |
| 57957 | Sonitrol                                 | Equip Rent-Office                   | \$517.78    |
| 57958 | Voyager Fleet Systems Inc                | Gas & Oil                           | \$2,779.46  |
| 57959 | Void                                     | Void                                | \$0.00      |
| 57960 | DHS-OCP                                  | Dues & Subscriptions                | \$90.00     |
| 57961 | Zane Dezign                              | Water Cons-Contract                 | \$120.96    |
| 57962 | Joan E Barth                             | Toilet Rebate Program               | \$225.00    |
| 57963 | Roger Bohnhof                            | Toilet Rebate Program               | \$75.00     |
| 57964 | Candice Cochran                          | Toilet Rebate Program               | \$150.00    |
| 57965 | John or Brandy Dodson                    | Toilet Rebate Program               | \$75.00     |

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|              |                                    |                                   |                     |
|--------------|------------------------------------|-----------------------------------|---------------------|
| 57966        | Michael Lafolley                   | Toilet Rebate Program             | \$150.00            |
| 57967        | Pete Martineau                     | Toilet Rebate Program             | \$75.00             |
| 57968        | Lilly Nguyen                       | Toilet Rebate Program             | \$150.00            |
| 57969        | Nick Poppelreiter                  | Toilet Rebate Program             | \$225.00            |
| 57970        | ABA DABA Rentals & Sales           | Supplies-Field                    | \$67.50             |
| 57971        | Afman Supply                       | Small Tools                       | \$209.17            |
| 57972        | Rachel M Allen                     | Overpayments                      | \$27.84             |
| 57973        | AWWA                               | Dues & Subscriptions              | \$3,590.00          |
| 57974        | Bart/Riebes Auto Parts             | Repair-Trucks                     | \$12.40             |
| 57975        | Blackbird Associates               | Contract Services-Engineering     | \$3,817.66          |
| 57976        | Burketts                           | Office Expense                    | \$20.08             |
| 57977        | Rene Felix                         | Water Cons-Other                  | \$500.00            |
| 57978        | Sandra Fortner                     | Overpayments                      | \$172.31            |
| 57979        | David M Gordon                     | Overpayments-Office Expense       | \$35.48             |
| 57980        | GreatAmerica Leasing Corp          | Equip Rent-Office                 | \$218.79            |
| 57981        | Barbara R Harsch Trust             | Overpayments                      | \$3,006.08          |
| 57982        | Kenneth W or Carlie S Hatt         | Overpayments                      | \$160.84            |
| 57983        | Bob Hughson                        | Water Cons-Other                  | \$3,000.00          |
| 57984        | JD Pasquetti                       | Overpayments- Hydrant Meter       | \$1,638.56          |
| 57985        | Kathi Karish                       | Water Cons-Other                  | \$500.00            |
| 57986        | Kendall Lawler                     | Overpayments                      | \$18.54             |
| 57987        | Garh McChesney                     | Overpayments                      | \$302.70            |
| 57988        | Rex Meurer                         | Water Cons-Mat/Suppl              | \$428.08            |
| 57989        | Moonlight BPO                      | Contract Services-Bill Print/Mail | \$3,839.60          |
| 57990        | Neighborly Pest Management         | Janitorial                        | \$88.00             |
| 57991        | Nicksam Properties LLC             | Overpayments                      | \$12.50             |
| 57992        | Richard Pearse                     | Overpayments                      | \$130.90            |
| 57993        | David Pomroy                       | Overpayments                      | \$68.40             |
| 57994        | Bryan Rusk                         | Overpayments                      | \$51.67             |
| 57995        | Jeffrey R Spiers                   | Overpayments                      | \$260.01            |
| 57996        | Sunrise Recreation & Park District | Water Cons-Other                  | \$2,632.57          |
| 57997        | Ruby Valderrama                    | Overpayments                      | \$67.56             |
| 57998        | Verizon Wireless                   | Tele-Wireless                     | \$977.84            |
| 57999        | Viceroy Trust                      | Overpayments                      | \$26.29             |
| 58000        | Gail C Kobetich                    | Water Cons-Other                  | \$475.00            |
| 58002        | Void                               | Void                              | \$0.00              |
| <b>Total</b> |                                    |                                   | <u>\$858,389.62</u> |

|              |                  |                         |                    |
|--------------|------------------|-------------------------|--------------------|
| ACH          | WHA 10192014     | Health Insurance        | \$18,266.86        |
| ACH          | Valic 10092014   | Deferred Compensation   | \$1,760.00         |
| ACH          | BOW10202014      | Water Cons-Other        | \$1,974.98         |
| ACH          | Valic 10232014   | Deferred Compensation   | \$1,860.00         |
| ACH          | ELAVON OCT ON LI | Bank Fees               | \$3,412.88         |
| ACH          | PERS 10092014    | PERS                    | \$8,549.64         |
| ACH          | Vanco 102014     | Contract Services-Other | \$59.60            |
| ACH          | SEPT 2014 Elavon | Bank Fees               | \$175.86           |
| ACH          | SEPT 2014 Elavon | Bank Fees               | \$233.12           |
| ACH          | SEPT2014 PayChex | Contract Services-Other | \$292.36           |
| ACH          | ING 10232014     | Deferred Compensation   | \$45.00            |
| ACH          | ING 9/25/14      | Deferred Compensation   | \$45.00            |
| ACH          | ING SEPT2014     | Deferred Compensation   | \$45.00            |
| ACH          | PERS10232014     | PERS                    | \$8,549.64         |
| <b>Total</b> |                  |                         | <u>\$45,269.94</u> |

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**Grand Total**

\$903,659.56

*November Checks Approved at November Board Meeting*

|              |  |  |                     |
|--------------|--|--|---------------------|
| 58011        | Corix Water Products, Inc                  | Material                               | \$8,654.32          |
| 58017        | Douglas A MacTaggart                       | Contract Services- Concrete/Paving     | \$10,229.00         |
| 58009        | Central Valley Engineering & Asphalt, Inc. | Contract Services- Paving              | \$10,248.62         |
| 58004        | ACWA                                       | Pre-Paid Expense- Subscriptions/Dues   | \$11,835.00         |
| 58027        | SMUD                                       | Utilities- October 2014                | \$11,947.21         |
| 58013        | Forsgren Associates, Inc.                  | Contract Services-Engineering 2013-31  | \$16,393.00         |
| 58019        | NV5 / Nolte Associates, Inc.               | Contract Services-Engineering 2012-11  | \$33,278.46         |
| 58014        | GM Construction & Developers               | Contract Services-Misc Field           | \$38,893.00         |
| 58010        | Cogsdale                                   | Pre-Paid Expense- Maint Agreement 2015 | \$55,113.42         |
| 58058        | Preston Pipelines Inc                      | Contract Services-Misc Field           | \$122,601.78        |
| 58025        | San Juan Water District                    | Purchased Water                        | <u>\$624,574.92</u> |
| <b>Total</b> |  |  | <u>\$943,768.73</u> |

PUBLIC HEARINGS

2015 Operating and Capital Improvement Budgets, 2015 Water Rates and Miscellaneous Charges and Fees, 2015 Capacity Charges and 2015 Water Shortage Rate Structure

Director Dains welcomed the customers and other members of the public in attendance, and announced the purpose of the Public Hearings scheduled for this evening.

Before opening the Public Hearings, AGM Gillum delivered a presentation summarizing the 2015 budgets and water rates and charges being presented at this meeting for consideration by the Board. An overview was provided for each of the Public Hearings subject matter; the Operating and Capital Improvement Budgets for 2015, 2015 Water Rates and Miscellaneous Charges and Fees, 2015 Capacity Charges and the 2015 Water Shortage Rate Structure.

After AGM Gillum's presentation, Director Dains opened the Public Hearings and invited people in attendance, who had submitted a Public Comment Card, to come forward. The following members of the public spoke in regard to the proposed rate increase and water shortage rate structure:

Dan Heideman, Ray Riehle, Jack Sivak, Debi Casey, Kathi Karish, Pam Pinkston, Tom Mason, Joan Kultz, Norma Jane Arino

Director Dains asked if there were any other comments from the public. Hearing none, Director Dains closed the Public Hearings.

Prior to asking for motions on the Public Hearing items, Director Dains inquired as to whether or not the Water Shortage Rate Structure was in-line with that of San Juan Water District (SJWD). GM Churchill responded that he believed that it is consistent with SJWD's structure as the same consultant, Bob Reed, performed studies for each district. Director Dains also questioned if SJWD has a shortage rate structure for wholesale agencies? GM Churchill responded that they do not. Director Sheehan inquired about how the Water Shortage Rate Structure would be implemented. AGM Gillum responded that it would require future action by the Board of Directors and would require a 30-day advance notice to rate payers before the Water Shortage Rate Structure would be applied. AGM Gillum also stated that the Water Shortage Rate Structure sets a maximum amount to be applied by Water Shortage Stage and that lower rates could be implemented in the future by the Board of Directors' action.

The Directors then took action on each of the Public Hearings by separate motion.

**Motion:** It was moved by Director Dains and seconded by Director Sheehan to adopt Resolution No. 12-2014 Establishing Fiscal Year 2015 Operating and Capital Improvement Budgets.

The motion carried 2-0 with all Directors voting yes.

CITRUS HEIGHTS WATER DISTRICT  
RESOLUTION NO. 12-2014

RESOLUTION ESTABLISHING  
FISCAL YEAR 2015 OPERATING AND CAPITAL IMPROVEMENT BUDGETS  
FOR CITRUS HEIGHTS WATER DISTRICT

WHEREAS, CITRUS HEIGHTS WATER DISTRICT has identified the costs of operating the District and for providing capital improvements to the infrastructure of the District, for the Fiscal Year beginning January 1, 2015; and

WHEREAS, the District has prepared budgets setting forth the dollar amounts proposed for District operations and capital improvements; as follows:

Operating Budget: \$9,673,142 Capital Improvement Budget: \$6,799,707 and

WHEREAS, a noticed Public Hearing was held on November 19, 2014 for the purpose of receiving public comment on the proposed Fiscal Year 2015 Operating and Capital Improvement Budgets.

THEREFORE BE IT RESOLVED that the Fiscal Year 2015 Operating and Capital Improvement Budgets attached hereto and incorporated herein as part of this Resolution, are hereby adopted.

PASSED AND ADOPTED by the Board of Directors of the CITRUS HEIGHTS WATER DISTRICT, this 19<sup>th</sup> day of November, 2014, by the following vote, to-wit:

AYES: Directors: Dains, Sheehan  
NOES: Directors:  
ABSTAIN: Directors:  
ABSENT: Directors: Dion

S E A L

*Original signed by: Allen B. Dains*  
ALLEN B. DAINS, President  
Board of Directors  
Citrus Heights Water District

ATTEST:

*Original signed by: Robert A. Churchill*  
ROBERT A. CHURCHILL, Secretary

**Motion:** It was moved by Director Dains and seconded by Director Sheehan to adopt Resolution No. 13-2014 Establishing Water Rates and Miscellaneous Charges and Fees for Citrus Heights Water District for 2015.

The motion carried 2-0 with all Directors voting yes.

CITRUS HEIGHTS WATER DISTRICT  
 RESOLUTION NO. 13-2014

RESOLUTION ADOPTING  
 WATER RATES AND MISCELLANEOUS CHARGES AND FEES FOR  
 CITRUS HEIGHTS WATER DISTRICT FOR 2015

WHEREAS, upon motion duly moved, seconded, and carried, the following water rates and miscellaneous charges and fees were adopted for the fiscal year 2015:

| <b>Type of Charge</b>   | <b>Applied Basis or Frequency</b> | <b>2015<br/>Adopted</b> |
|---|-----------------------------------|-------------------------|
| <b><u>Charges for Metered Rate Customer Accounts</u></b>        |                                   |                         |
| <i>Service Charge, Domestic &amp; Commercial Meters</i>         |                                   |                         |
| ¾-inch meter  | bi-monthly, per meter             | \$36.89                 |
| 1-inch meter  | bi-monthly, per meter             | \$56.13                 |
| 1½-inch meter   | bi-monthly, per meter             | \$68.95                 |
| 2-inch meter  | bi-monthly, per meter             | \$133.07                |
| 3-inch meter  | bi-monthly, per meter             | \$210.02                |
| 4-inch meter  | bi-monthly, per meter             | \$415.22                |
| <i>Service Charge, Irrigation Meters</i>                        |                                   |                         |
| ¾-inch meter  | bi-monthly, per meter             | \$36.89                 |
| 1-inch meter  | bi-monthly, per meter             | \$56.13                 |
| 1½-inch meter   | bi-monthly, per meter             | \$68.95                 |
| 2-inch meter  | bi-monthly, per meter             | \$133.07                |
| 3-inch meter  | bi-monthly, per meter             | \$210.02                |
| 4-inch meter  | bi-monthly, per meter             | \$415.22                |
| <i>Service Charge, Combination Meters</i>                       |                                   |                         |
| Low flow bypass meter   | bi-monthly, per meter             | \$0.00                  |
| 4-inch meter  | bi-monthly, per meter             | \$133.07                |
| 6-inch meter  | bi-monthly, per meter             | \$210.02                |
| 8-inch meter  | bi-monthly, per meter             | \$415.22                |
| 10-inch meter   | bi-monthly, per meter             | \$1,011.56              |
| <b><u>Public Agencies with Mutual Assistance Agreements</u></b> |                                   |                         |
| <b><u>(SJUSD, SRPD, SCD) (Multiplier = 0.50)</u></b>            |                                   |                         |
| <i>Service Charge, Domestic &amp; Commercial Meters</i>         |                                   |                         |
| ¾-inch meter  | bi-monthly, per meter             | \$18.44                 |
| 1-inch meter  | bi-monthly, per meter             | \$28.06                 |
| 1½-inch meter   | bi-monthly, per meter             | \$34.47                 |
| 2-inch meter  | bi-monthly, per meter             | \$66.53                 |
| 3-inch meter  | bi-monthly, per meter             | \$105.01                |
| 4-inch meter  | bi-monthly, per meter             | \$207.61                |
| <i>Service Charge, Irrigation Meters</i>                        |                                   |                         |
| ¾-inch meter  | bi-monthly, per meter             | \$18.44                 |
| 1-inch meter  | bi-monthly, per meter             | \$28.06                 |
| 1½-inch meter   | bi-monthly, per meter             | \$34.47                 |
| 2-inch meter  | bi-monthly, per meter             | \$66.53                 |
| 3-inch meter  | bi-monthly, per meter             | \$105.01                |
| 4-inch meter  | bi-monthly, per meter             | \$207.61                |
| <i>Service Charge, Combination Meters</i>                       |                                   |                         |



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|                       |                       |          |
|-----------------------|-----------------------|----------|
| Low flow bypass meter | bi-monthly, per meter | \$0.00   |
| 4-inch meter          | bi-monthly, per meter | \$66.53  |
| 6-inch meter          | bi-monthly, per meter | \$105.01 |
| 8-inch meter          | bi-monthly, per meter | \$207.61 |
| 10-inch meter         | bi-monthly, per meter | \$505.78 |

**Other Service Charges**

|   |                       |          |
|---|-----------------------|----------|
| <i>Service Charge, Construction Meters</i>  |                       |          |
| 2½-inch and 3-inch meters   | bi-monthly, per meter | \$210.02 |
| <br><i>Service Charge, North Ridge Country Club Meter</i><br>(multiplier = 3.00, not annexed)             |                       |          |
|   | bi-monthly, per meter | \$168.39 |
| <br><i>Service Charge, Mount Vernon Memorial Park</i><br>(multiplier = 2.31, based upon property annexed) |                       |          |
| Low flow bypass meter   | bi-monthly, per meter | \$0.00   |
| 8-inch Combination meter  | bi-monthly, per meter | \$959.16 |

**Commodity Charges for Water Consumed**

*1 unit = 100 cubic feet = 748 gallons*

|  |   |          |
|--|---|----------|
| <i>All Domestic, Commercial, Irrigation, Combination Meter, and Fire Service Accounts except as otherwise specified below:</i> | per unit  | \$0.7663 |
| <br><i>Construction Meters (3.00 multiplier)</i>   | per unit, for all units bi-monthly  | \$2.2989 |
| <br><i>North Ridge Country Club Meter (3.00 multiplier)</i>  | per unit, for all units bi-monthly  | \$2.2989 |
| <br><i>Mount Vernon Memorial Park (2.31 multiplier)</i>  | per unit, for all units bi-monthly  | \$1.7702 |
| <br><i>Unannexed property (surplus water only)</i>   | multiplier times annexed rate, applied to service charge and commodity charge | 3.00     |

**Wheeling Water Charges**

|   |                                    |         |
|---|------------------------------------|---------|
| (unless otherwise adopted by mutual assistance agreement) | per acre-foot to San Juan WD       | \$2.94  |
|   | per acre-foot to Sac. Suburban WD  | \$43.25 |
|   | per acre-foot to Carmichael WD     | \$43.25 |
|   | per acre-foot to Cal-American WC   | \$43.25 |
|   | per acre-foot to City of Roseville | \$43.25 |

**Fire Sprinkler Service Charges**

|                          |                        |          |
|--------------------------|------------------------|----------|
| 4-inch and smaller       | per service, bimonthly | \$58.63  |
| 6-inch                   | per service, bimonthly | \$76.05  |
| 6-inch; one-half shared  | per service, bimonthly | \$38.02  |
| 6-inch; one-third shared | per service, bimonthly | \$25.34  |
| 8-inch                   | per service, bimonthly | \$92.62  |
| 8-inch; one-half shared  | per service, bimonthly | \$46.31  |
| 10-inch                  | per service, bimonthly | \$124.85 |
| 12-inch                  | per service, bimonthly | \$165.41 |

**Construction Water Charges**

|  |                     |          |
|--|---------------------|----------|
|  | minimum charge      | \$170.88 |
| Schedule A - Projects                        | per lot             | \$117.50 |
| Schedule B - Trenches, Excavations & Grading | per 100 cubic yards | \$31.73  |
| Schedule C - Tank Trucks                     | per 1,000 gallons   | \$5.27   |

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|                          |            |         |
|--------------------------|------------|---------|
| Schedule D - Metered Use | meter rate | -----   |
| Schedule E - Non-Profit  | per day    | \$35.70 |

**Plan Check Charges**

|                                 |          |
|---------------------------------|----------|
| minimum charge + per connection | \$635.00 |
| per connection                  | \$16.50  |

**Inspection Charges**

|                                  |                                       |            |
|----------------------------------|---------------------------------------|------------|
| Minimum                          | min. + per connect. + per main tie-in | \$1,257.00 |
| Plus per connection              | per connection                        | \$144.00   |
| Plus per main tie-in             | per main tie-in                       | \$894.00   |
| AC pipe disposal charge          | per foot, 4 feet minimum (\$200 min.) | \$50.00    |
| Hydrostatic pressure test        | each                                  | \$230.00   |
| Bacteriological water test (1st) | first test                            | \$247.00   |
| Plus each additional sample      | additional samples after first test   | \$108.00   |
| Weekend/After Hours              | per hour (2 hr. minimum)              | \$125.00   |
| Holiday                          | per hour (2 hr. minimum)              | \$155.00   |

**Water Service Installation Charges**

|   |                                  |            |
|---|----------------------------------|------------|
| ¾-inch services w/meter                           | per service                      | \$3,730.00 |
| 1-inch service w/meter                            | per service                      | \$3,855.00 |
| 1¼-inch & larger service w/meter                  | actual cost, with minimum charge | \$3,855.00 |
| Service abandonments/relocations                  | actual cost                      |            |
| Meter set charge:                                 |                                  |            |
| ⅝ inch x ¾ inch                                   | per meter                        | \$335.00   |
| ¾ inch  | per meter                        | \$405.00   |
| 1 inch  | per meter                        | \$505.00   |
| 1½ inch   | per meter                        | \$710.00   |
| 2 inch  | per meter                        | \$920.00   |
| >2 inch   | actual cost                      |            |
| Backflow prevention assembly installation charge: |                                  |            |
| ¾ inch  | each                             | \$3,065.00 |
| 1 inch  | each                             | \$3,260.00 |
| 1½ inch   | each                             | \$3,780.00 |
| 2 inch  | each                             | \$4,010.00 |
| >2 inch   | actual cost                      |            |

**Capacity Charges**

|   |                                    |             |
|---|------------------------------------|-------------|
| Residential- Multi-Family:              |                                    |             |
| Townhomes/Condos/Duplexes w/¾-inch max. | per service + non-residential uses | \$3,868.00  |
| Townhomes/Condos/Duplexes w/1-inch max. |                                    |             |
| Fire Sprinklers w/1-inch max.           | per service + non-residential uses | \$6,189.00  |
| Residential- Single Family:             |                                    |             |
| 0 - 2.499 acres with 1-inch max.        | per service                        | \$6,189.00  |
| 2.500 - 4.999 acres with 1¼-inch max.   | per service                        | \$6,963.00  |
| 5.00 - 7.500 acres with 1½-inch max.    | per service                        | \$7,736.00  |
| Over 7.500 acres with 2-inch max.       | per service                        | \$15,473.00 |

Nonresidential Users:

Based on service size, including, but not limited to, commercial, industrial, irrigation, commercial swimming pools, and clubhouse applications:

|        |             |            |
|--------|-------------|------------|
| ⅝ inch | per service | \$2,321.00 |
| ¾ inch | per service | \$3,868.00 |

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|         |             |              |
|---------|-------------|--------------|
| 1 inch  | per service | \$6,189.00   |
| 1¼ inch | per service | \$6,963.00   |
| 1½ inch | per service | \$7,736.00   |
| 2 inch  | per service | \$15,473.00  |
| 3 inch  | per service | \$24,756.00  |
| 4 inch  | per service | \$49,512.00  |
| 6 inch  | per service | \$193,406.00 |
| 8 inch  | per service | \$371,340.00 |
| 10 inch | per service | \$587,955.00 |
| 12 inch | per service | \$773,625.00 |

**Other Charges and Fees**

|  |  |                          |
|--|--|--------------------------|
| Inclusion / Annexation Fee                     | per gross acre, ½ acre or greater<br>minimum to ½ acre | \$2,214.00<br>\$1,107.00 |
| Agenda-By-Mail Charge (e-mail delivery free)   | per year   | \$65.00                  |
| Standby Service Charge                         | per hour, 1 hour minimum                               | \$98.00                  |
| New Account Application Fee                    | per application  | \$30.00                  |
| Returned Check Fee                             | per check  | \$20.00                  |
| Late Payment Penalty                           | 5% of overdue account balance                          | 5.00%                    |
| Turn-off Notice Service Charge                 | per occurrence   | \$25.00                  |
| Disconnect / Reconnect Service Charge          | per occurrence   | \$58.00                  |
| Water Meter Re-Read / Maintenance Charge       | per occurrence   | \$39.00                  |
| Customer Account Deposit                       | per account  | \$170.00                 |
| Construction Meter Deposit                     | per meter  | \$1,750.00               |
| Copy Charge                                    | per page   | \$0.10                   |
| Backflow Prevention Assembly Monitoring Charge | per assembly bimonthly                                 | \$3.00                   |
| Backflow Prevention Assembly Testing Charge    | per assembly bimonthly                                 | \$12.00                  |
| Fire Flow Certification Letter                 | per letter   | \$25.00                  |
| Fire Flow Modeling                             | per modeling   | \$240.00                 |

PASSED AND ADOPTED by the Board of Directors of the CITRUS HEIGHTS WATER DISTRICT, this 19th day of November 2014, by the following vote, to-wit:

AYES: Directors: Dains, Sheehan  
NOES: Directors:  
ABSTAIN: Directors:  
ABSENT: Directors: Dion

S E A L

Original signed by: Allen B. Dains  
ALLEN B. DAINS, President  
Board of Directors  
Citrus Heights Water District

ATTEST:

Original signed by: Robert A. Churchill  
ROBERT A. CHURCHILL, Secretary

**Motion:** It was moved by Director Dains and seconded by Director Sheehan to adopt Resolution No. 14-2014 Adopting Capacity Charges for Citrus Heights Water District for 2015.

The motion carried 2-0 with all Directors voting yes.

RESOLUTION NO. 14-2014

RESOLUTION ADOPTING CAPACITY CHARGES  
FOR CITRUS HEIGHTS WATER DISTRICT FOR 2015

WHEREAS, upon motion duly moved, seconded, and carried, the following Capacity Charges were adopted for the year 2015:

| <u>Type of Charge</u>  | <u>Applied Basis or Frequency</u>  | <u>2015 Adopted</u> |
|--|------------------------------------|---------------------|
| Capacity Charge Schedule   |                                    |                     |
| Residential- Multi-Family:   |                                    |                     |
| Townhomes/Condos/Duplex Sides w/3/4-inch max.  | per service + non-residential uses | \$3,86800           |
| Townhomes/Condos/Duplex Sides,<br>Fire Sprinklers w/1-inch max   | per service + non-residential uses | \$6,189.00          |
| Residential- Single Family:  |                                    |                     |
| 0 - 2.499 acres with 1-inch max.   | per service                        | \$6,189.00          |
| 2.500 - 4.999 acres with 1¼-inch max.  | per service                        | \$6,963.00          |
| 5.00 - 7.500 acres with 1½-inch max.   | per service                        | \$7,736.00          |
| Over 7.500 acres with 2-inch max.  | per service                        | \$15,473.00         |
| Nonresidential Users:  |                                    |                     |
| Based on service size, including, but not limited to, commercial, industrial, irrigation, commercial swimming pools, and clubhouse applications: |                                    |                     |
| 5/8 inch   | per service                        | \$2,321.00          |
| ¾ inch   | per service                        | \$3,868.00          |
| 1 inch   | per service                        | \$6,189.00          |
| 1¼ inch  | per service                        | \$6,963.00          |
| 1½ inch  | per service                        | \$7,736.00          |
| 2 inch   | per service                        | \$15,473.00         |
| 3 inch   | per service                        | \$24,756.00         |
| 4 inch   | per service                        | \$49,512.00         |
| 6 inch   | per service                        | \$193,406.00        |
| 8 inch   | per service                        | \$371,340.00        |
| 10 inch  | per service                        | \$587,955.00        |
| 12 inch  | per service                        | \$773,625.00        |

PASSED AND ADOPTED by the Board of Directors of the CITRUS HEIGHTS WATER DISTRICT, this 19th day of November 2014, by the following vote, to-wit:

AYES: Directors: Dains, Sheehan  
NOES: Directors:  
ABSTAIN: Directors:  
ABSENT: Directors: Dion

S E A L

Original signed by: Allen B. Dains  
ALLEN B. DAINS, President  
Board of Directors  
Citrus Heights Water District

ATTEST:

Original signed by: Robert A. Churchill  
ROBERT A. CHURCHILL, Secretary

**Motion:** It was moved by Director Dains and seconded by Director Sheehan to adopt Resolution No. 15-2014 Establishing a Water Shortage Rate Structure for Citrus Heights Water District for 2015.

The motion carried 2-0 with all Directors voting yes.

**CITRUS HEIGHTS WATER DISTRICT  
RESOLUTION NO. 15-2014**

**RESOLUTION ADOPTING WATER SHORTAGE RATE STRUCTURE  
FOR CITRUS HEIGHTS WATER DISTRICT FOR 2015**

WHEREAS, CITRUS HEIGHTS WATER DISTRICT has identified the potential financial impacts of water shortage due to drought or other water supply emergency; and

WHEREAS, the District has developed a Water Shortage Rate Structure for offsetting the resulting financial deficit; and

WHEREAS, a noticed Public Hearing was held on November 19, 2014 for the purpose of receiving public comment on the proposed Water Shortage Rate Structure.

Water Shortage Rate Structure:

| <b>Citrus Heights Water District<br/>Water Shortage Rate Structure (2015) (1)</b> |                                      |                                    |                                      |  |                                     |  |
|---|--------------------------------------|------------------------------------|--------------------------------------|--|-------------------------------------|--|
|   | <b>Stage 1<br/>Normal<br/>Supply</b> | <b>Stage 2<br/>Water<br/>Alert</b> | <b>Stage 3<br/>Water<br/>Warning</b> | <b>Stage 4<br/>Water<br/>Emergency</b> | <b>Stage 5<br/>Water<br/>Crisis</b> | <b>USBR<br/>Health &amp;<br/>Safety Std.</b> |
| Use Reduction Goals -->   | None                                 | 5% to 10%                          | 11% to 25%                           | 26% to 50%                             | Over 50%                            | Over 75%                                     |
| <b>Bi-Monthly Service Charges (2)</b>   |                                      |                                    |                                      |  |                                     |  |
| <i>Domestic, Commercial &amp; Irrigation Meters</i>                               |                                      |                                    |                                      |  |                                     |  |
| 3/4" meter  | \$ 36.89                             | \$ 36.89                           | \$ 36.89                             | \$ 36.89                               | \$ 36.89                            | \$ 36.89                                     |
| 1" meter  | \$ 56.13                             | \$ 56.13                           | \$ 56.13                             | \$ 56.13                               | \$ 56.13                            | \$ 56.13                                     |
| 1 1/2" meter  | \$ 68.95                             | \$ 68.95                           | \$ 68.95                             | \$ 68.95                               | \$ 68.95                            | \$ 68.95                                     |
| 2" meter  | \$ 133.08                            | \$ 133.08                          | \$ 133.08                            | \$ 133.08                              | \$ 133.08                           | \$ 133.08                                    |
| 3" meter  | \$ 210.03                            | \$ 210.03                          | \$ 210.03                            | \$ 210.03                              | \$ 210.03                           | \$ 210.03                                    |
| 4" meter  | \$ 415.22                            | \$ 415.22                          | \$ 415.22                            | \$ 415.22                              | \$ 415.22                           | \$ 415.22                                    |
| <i>Combination Meters</i>   |                                      |                                    |                                      |  |                                     |  |
| 4" meter  | \$ 133.08                            | \$ 133.08                          | \$ 133.08                            | \$ 133.08                              | \$ 133.08                           | \$ 133.08                                    |
| 6" meter  | \$ 210.03                            | \$ 210.03                          | \$ 210.03                            | \$ 210.03                              | \$ 210.03                           | \$ 210.03                                    |
| 8" meter  | \$ 415.22                            | \$ 415.22                          | \$ 415.22                            | \$ 415.22                              | \$ 415.22                           | \$ 415.22                                    |
| 10" meter   | \$ 1,011.57                          | \$ 1,011.57                        | \$ 1,011.57                          | \$ 1,011.57                            | \$ 1,011.57                         | \$ 1,011.57                                  |
| <b>Water Usage Charges (\$/CCF) (2)</b>   |                                      |                                    |                                      |  |                                     |  |
| Standard Water Usage Rate   | \$ 0.7663                            | \$ 0.7663                          | \$ 0.7663                            | \$ 0.7663                              | \$ 0.7663                           | \$ 0.7663                                    |
| <b>Water Shortage Charge (3)</b>  |                                      |                                    |                                      |  |                                     |  |
|   |                                      |                                    | <b>10%</b>                           | <b>25%</b>                             | <b>40%</b>                          | <b>55%</b>                                   |
| Sample Water Shortage Charges   |                                      |                                    | \$ 0.0766                            | \$ 0.1916                              | \$ 0.3065                           | \$ 0.4215                                    |
| Sample Aggregated Usage Rates   |                                      |                                    | \$ 0.8429                            | \$ 0.9579                              | \$ 1.0728                           | \$ 1.1878                                    |
| <b>Excess Use Charge (4) (5)</b>  |                                      |                                    |                                      |  |                                     |  |
|   |                                      |                                    |                                      | <b>50%</b>                             | <b>150%</b>                         | <b>250%</b>                                  |
| Sample Excess Use Charges   |                                      |                                    |                                      | \$ 0.4790                              | \$ 1.6092                           | \$ 2.9695                                    |
| Sample Aggr. Excess Use Rates   |                                      |                                    |                                      | \$ 1.4369                              | \$ 2.6820                           | \$ 4.1573                                    |
| <b>Excess Use Charge applies to usage above amounts shown (5)</b>                 |                                      |                                    |                                      |  |                                     |  |
|   |                                      |                                    |                                      | 3/4" meter                             | 26 CCF                              |  |
|   |                                      |                                    |                                      | 1" meter                               | 52 CCF                              |  |
|   |                                      |                                    |                                      | 1 1/2" meter                           | 156 CCF                             |  |
|   |                                      |                                    |                                      | 2" meter                               | 208 CCF                             |  |
|   |                                      |                                    |                                      | 3" meter                               | 416 CCF                             |  |
|   |                                      |                                    |                                      | 4" meter & larger                      | 832 CCF                             |  |

**Notes:**

- (1) This Table shows the water shortage charges and excess use charges applied to the proposed water rates for 2015. The percentages would be applied to any then-current water rates in future years.
- (2) No changes to the bi-monthly service charges are proposed during water shortages.
- (3) Water shortage charges are incremental increases in the standard water usage rate applied in Stages 3, 4, and 5, and with the Health and Safety limitation.
- (4) Excess use charges effectively create a higher-priced second tier, and would apply only in Stages 4 and 5, and and with the Health and Safety limitation. The percentage is applied to the combined water usage and water shortage rate to create the second tier.
- (5) Excess use charge applies to bi-monthly usage in excess of amounts shown for each meter size.

THEREFORE BE IT RESOLVED that the Water Shortage Rate Structure is hereby adopted.

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PASSED AND ADOPTED by the Board of Directors of the CITRUS HEIGHTS WATER DISTRICT, this 19th day of November 2014, by the following vote, to-wit:

AYES: Directors: Dains, Sheehan  
NOES: Directors:  
ABSTAIN: Directors:  
ABSENT: Directors: Dion

S E A L

*Original signed by: Allen B. Dains*  
ALLEN B. DAINS, President  
Board of Directors  
Citrus Heights Water District

ATTEST:

*Original signed by: Robert A. Churchill*  
ROBERT A. CHURCHILL, Secretary

The majority of public in attendance left the meeting after the Public Hearings were completed.

### OLD BUSINESS

#### Skycrest Well Drilling, Development and Testing

OM Townsel presented the following update and background on the Skycrest Well project:

At the January 14, 2014 Board Meeting the Board accepted the bid of Zim Industries, Inc. in the base amount of \$436,775.00 and established a change order contingency fund in the amount of \$22,000.00 (5.04%). The Board authorized a total expenditure of not-to-exceed \$631,840.00 (\$601,750.00 plus 5%) if drilling to a deeper depth is warranted. Execution of an Agreement for Construction Services between the District and Zim Industries, Inc. has occurred. The well drilling was completed to a depth of 390 ft. Casing and screen installation has been completed. Test Pumping and development have been completed. The step pumping test ranged from 1,000 -2,500 gpm over an eight hour period. The 24-hour pumping test was successfully completed at a rate of 2,200 gpm. Video recording of the finished well has been completed. The Contractor is scheduled to complete this phase on November 18, such that issuing of a "Notice of Completion" can be authorized at the December 9 Board of Directors Meeting. Final well equipping design is currently underway.

#### Skycrest Well Equipping

GM Churchill presented a status report on the equipping phase of the Skycrest Well Project. Plans and Specifications for equipping the Skycrest Well are nearly complete with a Notice Inviting Bids anticipated for November 20, 2014. This final phase of the

project includes the pump, motor, electrical and control facilities, the building, fencing, water and storm drain piping and site access paving. The tentative schedule of project milestones anticipates the Notice of Completion to be issued on October 13, 2015.

#### Water Supply

GM Churchill presented a status report on water supplies available to the District.

As of November 14, storage in Folsom Lake was at 287,128 acre-feet, 29 percent of the total capacity of 977,000 acre-feet. The historical average for this date is about 59 percent of total capacity. Noteworthy, as shown on the attached chart of Folsom Lake Storage Levels, is that the storage pattern closely resembles that of this time last year. As such, it is likely that the District will need to remain in a Stage 3 – Water Warning with a 20 percent conservation target at least through the fall months ahead.

CHWD continues to assist with preserving surface water supplies in the Lake by operating its groundwater wells. All District wells (Bonita, Mitchell Farms, Palm, Sylvan and Sunrise) remain operational and are being operated on a rotational or modified-as-needed basis.

As noted on the Operations Manager's 2014 Water Consumption Report (OM-2), total water use from January 1 through the end of October 2014 was 10,547.02 acre-feet, 17.3 percent less than the five year average for the same period. Total water consumption for the month of October was 1,030.74 acre-feet; 11.7 percent below the five year average for the month of October and 20.6% below October 2013 use. Year-to-date water use in 2014 is 20.5% below the corresponding time period in 2013.

#### Administration Building Improvements

GM Churchill presented a status report on the re-bid of the Administration Building Expansion and Renovation Project.

The District's Administration Building Expansion and Renovation Plans were re-circulated for bids on October 27, 2014. A mandatory pre-bid conference and site walk was held on November 12, 2014 with 25 individuals from various contractor and subcontractor firms attending.

Bids are due on November 24, 2014 with presentation to the Board of Directors for consideration of award anticipated at the December 9, 2014 Board of Directors meeting.

A very preliminary revised schedule for the Project is:

|   |                   |
|---|-------------------|
| Advertise for Bids:                       | October 27, 2014  |
| Contractor Pre-Bid Meeting and Site Tour: | November 12, 2014 |
| Bids Due:                                 | November 24, 2014 |
| Board Consideration of Award:             | December 9, 2014  |
| Begin Construction:                       | January 5, 2015   |
| Complete Construction:                    | July 6, 2015      |

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District staff has evaluated alternative locations and cost for housing the Administrative staff during construction. A recommendation will be forthcoming at the December 9, 2014 Board of Directors Meeting upon selection of a Contractor.

#### November 2014 General Election

GM Churchill reported on the preliminary results for the election of District Directors.

An election was held on November 4, 2014 for the election of District Directors.

|                 |               |                                      |
|-----------------|---------------|--------------------------------------|
| Division One:   | Caryl Sheehan | Unopposed for two year short term    |
| Division Three: | Allen Dains   | Unopposed for four year regular term |

The preliminary results of the contest for Division Two as provided on the Sacramento and Placer County web sites are as follows:

|               |              | <u>Sac. County</u> | <u>Placer County</u> | <u>Total</u> |       |
|---------------|--------------|--------------------|----------------------|--------------|-------|
| Division Two: | Joseph Dion  | 7,056              | 57                   | 7,113        | 68.2% |
|               | Bret Daniels | 3,273              | 42                   | 3,315        | 31.8% |

#### San Juan Water District / Sacramento Suburban Water District Joint Meetings

Director Dains, GM Churchill and AGM Gillum attended the 2 x 2 Ad Hoc Water Management Committee Meeting held on October 20, 2014 at Sacramento Suburban Water District (SSWD).

The agencies provided a draft review copy of Phase 2A of their Study with Consultant John O'Farrell as the lead person. Mr. O'Farrell met with Board President Dains, GM Churchill and AGM Gillum on October 16, 2014.

The schedule for upcoming meetings is as follows:

Thursday November 20, 2014, 10:30 a.m. at San Juan Water District  
2 x 2 Water Management Ad Hoc Committee

Tuesday December 16, 2014, 6:30 p.m. at Sacramento Suburban Water District  
Joint Meeting of both Boards of Directors

Thursday December 18, 2014, 10:30 a.m. at Sacramento Suburban Water District  
2 x 2 Water Management Ad Hoc Committee

#### NEW BUSINESS

##### Training/Continued Education/Meetings

The Board was informed of various upcoming training, continued education opportunities and meetings.



### Policy Amendment

AGM Gillum presented information on proposed amendments to Human Resources Policy 4303 Compensatory Time-Off (CTO). The policy defines the requirements for a District employee to request CTO in lieu of paid overtime and requirements for using CTO. This policy was last updated on October 14, 2008.

The substantive proposed amendments to the policy are:

- 1) increasing the maximum balance of CTO to be maintained at any one time from forty (40) hours to one hundred sixty (160) hours; and
- 2) revising the title of the employee responsible for maintaining CTO balances from the Office Administrator to the Human Resources Specialist.

The increase in the maximum CTO balance to one hundred sixty (160) hours was requested by Operations staff for consideration by the Board of Directors. Employees, especially recent hires with minimal leave accruals and balances, would like to have the option to reserve additional time off as CTO rather than being paid for overtime beyond forty (40) hours of CTO accumulated. This increase to the CTO maximum balance does not substantially increase the cost to the District (a slight increase may be incurred if an employee carries CTO into a future period where the employee's rate of pay has increased).

The change in title is consistent with the elimination of the Office Administrator position upon the retirement of Pam Peters.

A copy of the policy with the proposed amendments was provided to the Directors.

**Motion:** It was moved by Director Dains and seconded by Director Sheehan to approve proposed amendments to District Human Resources Policy 4303 Compensatory Time-Off (CTO).

The motion carried 2-0 with all Directors voting yes.

### Policy Amendments

AGM Gillum presented information on proposed amendments to several District Policies.

With the retirement of Pam Peters, Office Administrator, the Administration Department has reorganized which has resulted in the elimination of the position and title of Office Administrator. The policies under consideration have been revised to replace references to the Office Administrator with the appropriate position title currently responsible for the subject matter of each specific policy. Other minor revisions have been made to some of the policies to correct grammatical errors or to clarify policy language; however, these revisions are not substantive nor do they change the current policy provisions.

The following proposed policies were presented for consideration:

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General:

Policy 1010 – Adoption/Amendment of Policies and Procedures  
Policy 1035.A – Conflict of Interest Code-Appendix A  
Designated Officials and Employees

Human Resources:

Policy 4011 – Equal Opportunity  
Policy 4040 – Personnel Records and Privacy  
Policy 4113 – Payroll and Payday  
Policy 4200 – Employee Insurance Benefits  
Policy 4401 – Education Assistance Program  
Policy 4411 – Deferred Compensation  
Policy 4501 – Standards of Conduct  
Policy 4703 – Injury and Illness Reporting  
Policy 4800 – Employee Separation  
Policy 4820 – Public Employee’s Retirement System (PERS)  
Policy 4911 – District Vehicle and Equipment Assignment and Use  
Policy 4930 – Computer Use and Internet Access  
Policy 4931 – Voice Mail and Electronic Mail

Operations:

Policy 5700 – Records Retention and Destruction

A copy of each policy with the proposed amendments identified was provided to the Directors.

**Motion:** It was moved by Director Dains and seconded by Director Sheehan to approve proposed amendments to the following District Policies:

General:

Policy 1010 – Adoption/Amendment of Policies and Procedures  
Policy 1035.A – Conflict of Interest Code-Appendix A  
Designated Officials and Employees

Human Resources:

Policy 4011 – Equal Opportunity  
Policy 4040 – Personnel Records and Privacy  
Policy 4113 – Payroll and Payday  
Policy 4200 – Employee Insurance Benefits  
Policy 4401 – Education Assistance Program  
Policy 4411 – Deferred Compensation  
Policy 4501 – Standards of Conduct  
Policy 4703 – Injury and Illness Reporting  
Policy 4800 – Employee Separation  
Policy 4820 – Public Employee’s Retirement System (PERS)  
Policy 4911 – District Vehicle and Equipment Assignment and Use  
Policy 4930 – Computer Use and Internet Access

Policy 4931 – Voice Mail and Electronic Mail

Operations:

Policy 5700 – Records Retention and Destruction

The motion carried 2-0 with all Directors voting yes.

Connection Fund Transfer to Capital Improvement Fund

AGM Gillum presented information on a recommended transfer of the Connection Fund balance to the Capital Improvement Fund.

The District assesses and collects Capacity Charges as an equitable method for assessing new connections, reconnections or enlarged connections an appropriate share of capacity in existing District facilities and assets. This method of assessing capacity charges is typically referred to as the “System Buy-In Methodology”. According to Accounts Receivable Policy 7500 Capacity Charges and Fiscal Management Policy 6250 Connection Fund, Capacity Charges collected are to be maintained in the Connection Fund. The District annually transfers the Connection Fund balance to the Capital Improvement Fund with Board of Directors approval.

The Connection Fund, according to Fiscal Management Policy 6250 Connection Fund, is to accrue interest based on a calculation of the District’s annual audited return on invested monies using information provided in the District’s annual financial audit report. The average return on investments was 0.24%, which applied to the 2013 average balance in the Connection Fund results in \$15.00 of accrued interest.

The following shows the amount of interest accrued for 2013 and the current balance of the Connection Fund:

|   |                 |
|---|-----------------|
| Connection Fund Balance (current month) | \$318,629.00    |
| 2013 Accrued Interest                   | <u>\$ 15.00</u> |
| New Connection Fund Balance             | \$318,644.00    |

**Motion:** It was moved by Director Sheehan and seconded by Director Dains to direct the Treasurer to transfer \$318,644.00 from the Connection Fund to the Capital Improvement Fund.

The motion carried 2-0 with all Directors voting yes.

PROJECT MANAGER’S REPORT

PM Dietrich presented a report on the following activities during the month of October 2014 by the Project Management and Engineering Department:

- Accepted water systems:

| <u>Project</u>   | <u>Count</u> | <u>Facilities</u>            | <u>Value</u> |
|--|--------------|------------------------------|--------------|
| Arcade Creek Park Preserve<br>Sunrise Rec. and Park District | 1            | 1-inch Metered Water Service | \$2,500.00   |

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|                   |   |                           |          |
|-------------------|---|---------------------------|----------|
| HD Supply         | 1 | 8" RPDA Assembly for Fire | Property |
| 7980 Greenback Ln | 1 | 2" Backflow Assembly      | of       |
|                   | 1 | 1 1/2" Backflow Assembly  | Customer |
|                   | 3 | Fire Hydrant Access Pads  |          |

- Projects under construction or pending construction by private contractors and developers including:

Muschetto Subdivision, 46 Residential Lots, 7108 Antelope Road, 90% complete.

Fair Oaks Village, 6800 Madison Avenue, awaiting start of water system.

- Contractor/developer projects pending construction:

| <u>Project</u>  | <u>Location</u>   | <u>Status</u>                      |
|-----------------|-------------------|------------------------------------|
| Texas Roadhouse | 6309 Sunrise Blvd | Plans Approved<br>October 21, 2014 |

- Project development/design underway by District staff including:

| <u>Project</u>  | <u>Location</u>  | <u>Status</u>                       |
|---|--|-------------------------------------|
| Sonora Way 8" Water Main<br>Hanson Ave 6" Water Main<br>UNICO Engineering | Madison Ave to Palm Ave<br>Between Wonder St<br>and Glen Tree Dr | Contract<br>Development<br>Underway |
| Mariposa Ave 18" and 8"<br>Water Main<br>Area West Engineers, Inc.        | Sycamore Drive to<br>Pratt Avenue                                | 30% Submittal<br>Under Review       |
| San Juan High School 24"<br>Water Main<br>Warren Consulting Engineers     | Along North Property Line  | Awaiting Easement<br>Appraisal      |

- Projects contracted by the District including:

| <u>Project</u>   | <u>Location</u>                              | <u>Status</u> |
|--|--|---------------|
| Park Dr 8" Water Main<br>Poplar Ave 8" Water Main<br>Preston Pipelines, Inc. | Sylvan Rd to east<br>South end of Poplar Ave | 75% Complete  |
| Sunrise Blvd 12" Water Main<br>Highwood Way 6" Water Main                    | 7180 Sunrise Blvd<br>Highwood Way            | 75% Complete  |

- Coordination and inspection is underway with the City of Citrus Heights on the following City projects:

| <u>Project</u>   | <u>Location</u>                  | <u>Status</u>                     |
|--|----------------------------------|-----------------------------------|
| Auburn Blvd Widening<br>Teichert Construction (Seg 3)  | Sylvan Corners to<br>Sycamore Dr | Minor Remaining<br>Punchlist Work |
| Sunrise Blvd<br>Signalization<br>Teichert Construction | Sungarden Drive                  | Construction<br>Underway          |

#### OPERATIONS MANAGER'S REPORT

OM Townsel reported as follows:

1. A total of 455 work orders were performed during the month of October by Field Operations crews, Administration Field crews and District contractors. The results of recent bacteriological testing, a total of 72 samples, have met all California Department of Public Health requirements.
2. District-wide water consumption for the calendar year 2014 through the end of October 2014 was 10,547.02 acre-feet, a decrease of 17.3 percent compared with the average annual water consumption during the previous five years, 2009-2013. It was noted that this amount has been reconciled to account for CHWD-produced groundwater that was served outside of CHWD.

Director Dains called a recess to the meeting at 8:38 p.m. PM Dietrich, Accounting Supervisor Sohal and the remaining members of the public left the meeting.

Director Dains reconvened the meeting at 8:50 p.m.

#### DIRECTOR'S AND REPRESENTATIVES REPORTS:

Director Dains reported that he and GM Churchill attended the November 13, 2014 Regular Meeting of Regional Water Authority and gave a brief summary of the topics discussed. The agenda was provided to the Directors. Draft minutes of the September 11, 2014 RWA Board Meeting and draft minutes of the October 22, 2014 RWA Executive Committee were also provided.

#### ASSISTANT GENERAL MANAGER'S REPORT

AGM Gillum reported as follows:

1. Directors were provided with a summary of Water Efficiency Program activities year-to-date through October 2014:
  - 21 ultra-low-flush toilet rebates were processed in the month of October. A total of \$16,650 in rebates has been provided to customers through October 31, 2014.

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- A total of \$1,150 in rebates has been provided to customers in 2014 to-date through May 31, 2014 for High-Efficiency Clothes Washers. The District is waiting for an update from SMUD on rebates provided since May.
  - One violation for repeated flooding of a neighbor's yard was issued in October.
  - The volume of water waste calls continues to be high.
2. Water Forum Update  
The Water Caucus met on November 12, 2014 where the Carryover Storage Alternative to the flow management standard was discussed.
- The Water Forum Successor Effort Plenary Session was held on November 13, 2014. The Plenary Session covered a presentation on a Carryover Storage Alternative, Flow Standard update, Water Conservation update, and Water Supply and River Conditions update.
- The Water Forum Dry Year Conference #7 was held on November 19, 2014.
3. In June 2012, the Government Accounting Standards Board (GASB) issued Statement No. 68, which revises and establishes new financial reporting requirements for governments that provide their employees with pension benefits. GASB 68 is effective for financial statements for fiscal years beginning after June 15, 2014. Prior to the implementation of GASB 68 the District did not need to report any net pension liability for its PERS pension plan. With the implementation of GASB 68 and beginning with financial reports for 2015, the District will be required to recognize a liability as employees earn their pension benefits. This is a similar process to that which was required by GASB 45 for recognizing Other Post-Employment Benefits (OPEB) net liability. In order to calculate the net pension liability, an actuarial report will be needed. CalPERS is offering to provide the additional actuarial information upon request and for a yet-to-be-determined fee. I will monitor this issue and provide status updates as new information becomes available.
4. The kick-off meeting with Katie Lichty of Circlepoint to begin work on the winter 2015 edition of the District's WaterLine newsletter was held on October 14, 2014. Katie has provided a draft of the winter edition for our review and comments/revisions.

GENERAL MANAGER'S REPORT

GM Churchill reported as follows:

1. Twenty-five District employees received recognition for superior attendance, outstanding customer service and quality of work during the month of October 2014. Directors were provided with a list of the employees and items for which

each received recognition.

2. A list of the General Manager's significant assignments and activities was provided.

#### CORRESPONDENCE

There was no correspondence this month.

#### CLOSED SESSION

Pursuant to subdivision (a) of Government Code Section 54956.9 (one case), Existing Litigation: Citrus Heights Water District v. FedExGround, the Board of Directors convened in Closed Session at 9:05 p.m. to receive a report from District staff. Directors Dains and Sheehan, and GM Churchill, AGM Gillum and OM Townsel were in attendance.

President Dains reconvened the meeting into Open Session at 9:15 p.m. He reported that no reportable action was taken during the Closed Session.

#### FUTURE CHWD BOARD OF DIRECTORS MEETING DATES:

|                  |         |                 |
|------------------|---------|-----------------|
| December 9, 2014 | 6:30 PM | Regular Meeting |
| January 13, 2015 | 6:30 PM | Regular Meeting |

#### ADJOURNMENT

There being no other business to come before the Board, the meeting was adjourned at 9:25 p.m.

APPROVED:

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ROBERT A. CHURCHILL  
Secretary  
Citrus Heights Water District

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ALLEN B. DAINS, President  
Board of Directors  
Citrus Heights Water District